

By: Solomons

H.B. No. 2421

Substitute the following for H.B. No. 2421:

By: Menendez

C.S.H.B. No. 2421

A BILL TO BE ENTITLED

AN ACT

relating to the governing body of an independent organization certified to perform certain functions for a power region.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 39.151(g) and (g-1), Utilities Code, are amended to read as follows:

(g) To maintain certification as an independent organization under this section, an organization must operate a regional electrical network that is located entirely in this state.

The ~~an~~ organization's governing body must be composed of persons specified by this section and selected in accordance with formal bylaws or protocols of the organization. The bylaws or protocols must be approved by the commission and must reflect the input of the commission. The bylaws must ~~[specify the process by which appropriate stakeholders elect members and, for unaffiliated members,~~ prescribe the professional qualifications necessary for selection as a member of the organization and~~].~~ ~~The bylaws must~~ require the use of a professional search firm to identify candidates for membership of unaffiliated members. The process must allow for commission input in identifying candidates. The governing body must be composed of:

(1) each commissioner ~~[the chairman of the commission]~~ as an ex officio nonvoting member;

(2) the counsellor as an ex officio voting member

1 representing residential and small commercial consumer interests;

2 (3) the chief executive officer of the independent
3 organization as an ex officio voting member;

4 (4) [~~six market participants elected by their~~
5 ~~respective market segments to serve one-year terms, with:~~

6 [~~(A) one representing independent generators,~~

7 [~~(B) one representing investor-owned utilities,~~

8 [~~(C) one representing power marketers,~~

9 [~~(D) one representing retail electric providers,~~

10 [~~(E) one representing municipally owned~~
11 ~~utilities, and~~

12 [~~(F) one representing electric cooperatives,~~

13 [~~(5)~~] one member representing industrial consumer
14 interests and elected by the industrial consumer market segment to
15 serve a one-year term;

16 (5) [~~(6)~~] one member representing large commercial
17 consumer interests selected in accordance with the bylaws to serve
18 a one-year term; and

19 (6) nine [~~(7) five~~] members unaffiliated with any
20 market segment and selected by the other members of the governing
21 body to serve three-year terms.

22 (g-1) The presiding officer of the governing body must be
23 one of the members described by Subsection (g)(6) [~~(g)(7)~~].

24 SECTION 2. Not later than September 1, 2010, an independent
25 organization that is certified by the commission before September
26 1, 2009, shall modify the organization's governing body to comply
27 with Section 39.151(g), Utilities Code, as amended by this Act. The

1 commission may decertify an independent organization that does not
2 comply with that section by September 1, 2010.

3 SECTION 3. This Act takes effect September 1, 2009.